

# HATHWAY CABLE & DATACOM LIMITED

Registered Office : "Rahejas", 4th Floor, Corner of Main Avenue & V.P. Road,  
Santacruz (West), Mumbai - 400 054

## UNAUDITED STAND ALONE FINANCIALS RESULTS FOR THE QUARTER ENDED 30th September, 2010

(Rs. In lacs)

Particulars	Quarter ended		Half Year Ended		Year ended
	30th September 2010	30th June 2010	30th September 2010	30th September 2009	31st March 2010
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1. Income</b>					
a. Net Sales/Income from Operations	11,273.90	9,568.62	20,842.51	19,849.69	38,831.25
b. Other Operating Income	1,719.22	414.05	2,133.27	611.80	1,348.67
<b>c. Total</b>	<b>12,993.12</b>	<b>9,982.67</b>	<b>22,975.78</b>	<b>20,461.49</b>	<b>40,179.92</b>
<b>2. Expenditure</b>					
a. Employees cost	1,092.52	898.68	1,991.20	1,735.07	3,278.64
b. Pay Channel Cost	2,803.35	2,791.44	5,594.78	5,431.06	10,542.36
c. Operational expenditure	2,587.63	2,180.93	4,768.56	4,204.09	8,712.66
d. Administrative expenditure	2,303.15	2,023.82	4,326.97	4,026.04	8,108.27
e. Provision for Bad and Doubtful debts	647.82	674.78	1,322.61	1,364.75	2,589.04
<b>f. Total</b>	<b>9,434.47</b>	<b>8,569.65</b>	<b>18,004.12</b>	<b>16,761.01</b>	<b>33,230.97</b>
<b>3. Profit / (Loss) from Operations before Other Income, Interest , Depreciation &amp; Exceptional Items (1-2)</b>	<b>3,558.65</b>	<b>1,413.02</b>	<b>4,971.66</b>	<b>3,700.48</b>	<b>6,948.95</b>
4. Depreciation / Amortisation / Impairment	2,390.79	2,273.05	4,663.84	4,969.07	9,038.30
<b>5. Profit / (Loss) from Operations before Other Income, Interest &amp; Exceptional Items (3-4)</b>	<b>1,167.86</b>	<b>(860.03)</b>	<b>307.82</b>	<b>(1,268.59)</b>	<b>(2,089.35)</b>
<b>6. Other Income</b>					
a. Other Income	442.10	444.45	886.55	216.12	473.77
b. Exchange Fluctuation - (Loss)/Gain	62.30	(12.44)	49.86	26.96	51.96
<b>7. Profit / (Loss) before Interest &amp; Exceptional Items (5+6)</b>	<b>1,672.26</b>	<b>(428.02)</b>	<b>1,244.23</b>	<b>(1,025.51)</b>	<b>(1,563.62)</b>
8. Interest	954.39	972.12	1,926.50	2,601.44	5,090.97
<b>9. Profit / (Loss) after Interest but before Exceptional Items (7-8)</b>	<b>717.87</b>	<b>(1,400.14)</b>	<b>(682.27)</b>	<b>(3,626.95)</b>	<b>(6,654.61)</b>
<b>10. Exceptional Items</b>					
a. Exceptional Items	286.14	-	286.14	988.60	1,632.70
b. Prior Period Adjustment	27.80	(7.31)	20.49	30.32	61.93
<b>11. Profit / (Loss) from Ordinary Activities before tax (9-10)</b>	<b>403.94</b>	<b>(1,392.83)</b>	<b>(988.90)</b>	<b>(4,645.87)</b>	<b>(8,349.22)</b>
12. Tax expense	-	-	-	-	1.10
<b>13. Net Profit / (Loss) from Ordinary Activities after tax (11-12)</b>	<b>403.94</b>	<b>(1,392.83)</b>	<b>(988.90)</b>	<b>(4,645.87)</b>	<b>(8,350.32)</b>
14. Extraordinary Item (net of tax expense Rs. Nil)	-	-	-	-	-
<b>15. Net Profit / (Loss) for the period (13-14)</b>	<b>403.94</b>	<b>(1,392.83)</b>	<b>(988.90)</b>	<b>(4,645.87)</b>	<b>(8,350.32)</b>
16. Paid-up equity share capital (Face Value Rs.10/-)	14,285.71	14,285.71	14,285.71	12,285.71	14,285.71
17. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	73,094.00	72,690.07	73,094.00	34,410.61	74,082.90
18. Earnings Per Share (EPS)					
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year	0.28	(0.97)	(0.69)	(4.14)	(6.98)
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	0.28	(0.97)	(0.69)	(4.14)	(6.98)
19. Public shareholding					
- Number of shares	47,797,600	47,797,600	47,797,600	-	47,797,600
- Percentage of shareholding	33.46	33.46	33.46	-	33.46
20. Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non - encumbered					
- Number of shares	95,059,500	95,059,500	95,059,500	-	95,059,500
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100	100	-	100.00
- Percentage of shares (as a % of the total share capital of the company)	66.54	66.54	66.54	-	66.54

**Notes to Standalone Accounts**

- The above results were reviewed by the Audit Committee on November 09, 2010 and approved by the Board of Directors in its meeting held on November 09, 2010. The statutory auditors have carried out limited review of the financial results of the Company for the quarter ended 30th September, 2010.
- The Company is a Multi System Operator providing Cable Television Network Services, Internet Services and allied services which is considered as the only reportable segment. The Company's operations are based in India.
- The figures for the corresponding periods have been regrouped, wherever necessary, to make them comparable
- Statement of Assets and Liabilities as at the end of Half-year**

Particulars	(Rs. In lacs)	
	As of 30th September 2010 Unaudited	As of 30th September 2009 Audited
<b>1. Shareholder's Fund</b>		
a) Capital	14,290.51	12,290.51
b) Employee Stock Options Outstanding	223.23	170.83
c) Reserves & Surplus	119,996.92	76,620.17
	134,510.67	89,081.51
<b>2. Loan Funds</b>	29,381.63	40,158.04
<b>3. Deferred Tax Liabilities</b>	-	-
<b>TOTAL</b>	<b>163,892.30</b>	<b>129,239.55</b>
<b>4. Fixed Assets</b>	56,424.67	57,904.63
<b>5. Investment</b>	54,836.49	27,631.22
<b>6. Current Assets, Loans &amp; Advances</b>		
a) Inventories	252.30	498.57
b) Sundry Debtors	15,345.22	13,251.46
c) Cash & Bank Balances	1,540.96	1,819.25
d) Loans & Advances	12,647.39	10,398.13
	29,785.87	25,967.40
<b>7. Less: Current Liabilities &amp; Provisions</b>		
a) Liabilities	23,677.45	24,486.51
b) Provisions	380.21	490.33
	24,057.65	24,976.84
<b>Net Current Assets</b>	5,728.21	990.56
<b>8. Miscellaneous Expenditure - Pre IPO Expenses</b> (To the extent not written off or adjusted)	-	503.58
<b>9. Profit &amp; Loss Account Debit Balance</b>	46,902.92	42,209.56
<b>TOTAL</b>	<b>163,892.30</b>	<b>129,239.55</b>

- In view of pending in-principle approval from the stock exchanges for ESOP scheme, the Company has not accounted for exercise of options under the ESOP scheme.
- The Company is in process of making application to the Central Government for approval of the payment of remuneration to the Managing Director & CEO in excess of limits prescribed under Section 198 and 309 read with part II to Schedule XIII of the Companies, Act, 1956.
- Exceptional Items for the quarter ended 30th September 2010 represent Provision for Doubtful Advances / Investments / Receivables from entities under control or significant influence
- Due to certain unforeseen conditions, in the city of Chennai Local Cable Operators (LCOs) and subscribers have migrated to competing Multi System Operator (MSO) and other service providers. The Company has removed certain distribution equipments and head end equipments (part of the plant and machinery) from these cities. Some of such assets are already deployed in other states / cities to maximise the economic returns. The process of recovering the STBs, Smart Cards and Modems (part of Plant and Machinery) having WDV as at 30th September 2010 of Rs 1,343.31 lacs which are lying with the LCOs and subscribers and balance distribution equipments having WDV of Rs 387.92 lacs as at 30th September 2010 is still in progress. Management had estimated certain loss of assets which were provided for in the accounts as at 31st March 2010. In view of the management, at this stage, no additional provision is considered necessary.
- The Initial Public Offer (IPO) proceeds have been utilised, as under, as per objects stated in the prospectus dated February 17, 2010

Particulars	Rs. In lacs	
	Amount Proposed	Amount utilised upto 30th September 2010
<b>Amount received from IPO</b>		<b>48,000.00</b>
<b>Utilisation of funds</b>		
Acquisition of Customers	24,360.00	638.96
Investment in the development of our digital capital expenditure, services and set top boxes	15,640.00	4,056.20
Investment in the development of our broadband infrastructure, capital expenditure and services	8,300.00	3,037.68
Repayment of loans ( includes temporary repayment of WCCL Rs. 2,500 lacs as interim use)	9,670.00	9,670.00
Interim use of fund (paying down short term credit limit)		3,150.00
<b>Total</b>	<b>57,970.00</b>	<b>20,552.84</b>
Less: To be funded by Borrowings	9,970.00	1,300.00
<b>Total</b>	<b>48,000.00</b>	<b>19,252.84</b>
<b>Balance Unutilised</b>		<b>28,747.16</b>

Unutilised Balance has been invested as stated below:

	Rs. In lacs
Mutual funds	18,479.17
Certificate of Deposits of Banks	9,673.97
Margin Money in Banks	594.02
<b>Total</b>	<b>28,747.16</b>

10 There was 1 complaint pending at the beginning of the quarter. During the quarter, 9 complaints were received and 10 were resolved. No complaint was outstanding as on 30th September 2010. No complaints were pending for more than 30 days during the quarter.

11 This being the first year of listing corresponding figures for quarter ended 30th September 2009 are not stated

**12 Additional Information**

Consolidated Summarised Results, as per Management Review for Quarter ended 30th September 2010: (Unaudited and not subjected to limited review by the Statutory Auditors)

	Quarter ended 30th September 2010	Quarter ended 30th June 2010
Turnover	Rs. 22,651.63 lacs	Rs. 19,597.79 lacs
EBITDA	Rs. 5,022.92 lacs	Rs. 3,740.67 lacs
Profit Before Tax	Rs. 1,176.41 lacs	Rs. 160.02 lacs

**For Hathway Cable & Datacom Limited**

Place : Mumbai  
Date : 09th November 2010

K. Jayaraman  
Managing Director & CEO